Foreign CROPS AND MARKETS

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CONTENTS

(Continued on following page)

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CONTENTS (Continued)

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FOREIGN CROPS AND MARKETS

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TOBACCO EXPORTS FROM RHODESIAS-NYASALAND DECLINE FROM 1956 RECORD

Exports of unmanufactured tobacco from the Federation of Rhodesia and Nyasaland dropped from the record high of 165.1 million pounds in 1956 to 138.9 million in 1957. Flue-cured leaf accounted for 114.0 million pounds of 1957 shipments, with dark fire-cured and other types accounting for 20.6 and 4.3 million pounds, respectively. Exports of flue-cured were off sharply in 1957 from the 139.3 million pounds shipped in 1956, but fire-cured exports were only 1.3 million pounds lower.

The largest declines were in shipments to the Union of South Africa (from 17.6 to 3.4 million pounds) and to the Netherlands (from 13.2 to 7.5 million pounds). The largest gain in exports was to West Germany, which took 8.6 million pounds in 1957, compared with 3.5 million in 1956.

TOBACCO, UNMANUFACTURED: Federation of Rhodesia and Nyasaland, exports by country of destination, 1956-57

Country of destination	1955	1956	1957 1/
	1,000 pounds	1,000 pounds	1,000 pounds
Commonwealth:			
United Kingdom	67,995	87,649	76,759
Australia	11,145	8,536	8,988
Union of South Africa	11,238	17,618	3,436
Hong Kong	509	1,358	1,905
Other Commonwealth	5,999	5,206	5,851
Total Commonwealth	96,886	120,367	96,939
Non-Commonwealth:			
Germany, West	3,613	3,484	8,582
Netherlands	6,415	13,190	7,504
Belgium	2,176	6,324	5,653
Denmark	1,638	2,117	1,737
Norway	886	974	1,692
Sweden	1,460	1,735	925
Belgian Congo	3,036	6,949	6,345
French Africa	1,076	2,283	2,025
Portuguese Overseas Provinces	630	1,187	1,347
Other Foreign	6,479	6,508	6,199
Total non-commonwealth	27,409	44,751	42,009
Total all countries	124,295	165,118	138,948

1/ Preliminary.

Source: Tobacco Intelligence.

PORTUGAL TO TAKE MORE U. S. BURLEY IN 1958

Portuguese manufacturers plan to import more U. S. Burley tobacco in 1958 because of consumer preference for cigarettes containing U. S. Burley and a slight decline in the average U. S. farm price. However, manufacturers are in a tight squeeze between ceiling prices on tobacco products, increased taxes, and rising costs. This will make it necessary for them to continue using less expensive tobaccos when possible.

Imports of U. S. Burley were down sharply in 1957, while imports of other Burley were up. Total Portuguese imports of unmanufactured tobacco from the United States declined from 8.1 million pounds in 1956 to 6.6 million in 1957. Imports from Italy and Angola rose from 0.4 and 0.4 million pounds, respectively, in 1956 to 1.2 and 0.6 million in 1957.

INDIA'S TOBACCO EXPORTS DROP

India exported 70.4 million pounds of unmanufactured tobacco in the first 9 months of 1957--14 percent less than the 81.7 million exported during the January-September 1956 period. Prices were higher, however, for 1957 shipments, and export value was the same both years. Flue-cured accounted for about 89 percent of January-September 1956 exports, and 85 percent of the first 9-months' shipments of 1957. Average export prices for flue-cured rose from the equivalent of 30.0 U. S. cents per pound in January-September 1956 to 35.6 cents in 1957.

India is the third largest non-Communist exporter of flue-cured tobacco, following the United States and the Federation of Rhodesia and Nyasaland. It has had difficulty in disposing of its low and medium grades. Importers have complained that prices are rising too fast, and are out of line, quality considered, with prices for flue-cured from competing countries.

TOBACCO, UNMANUFACTURED: India, exports of flue-cured, January-September 1957

Country of destination	Quantity	Average price	Country of destination	Quantity	Average price
	1,000 pounds	U.S. cents per lb. 1/		1,000 pounds	U.S. cents per lb. 1/
United Kingdom	32,846	52.0	Egypt	482	28.1
Netherlands	4,754	15.2	Malaya	1,414	6.7
Belgium	2,651	15.0	Singapore	4,141	7.7
Germany, West	786	13.2	Hong Kong	1,449	16.5
U.S.S.R.	5,863	12.8	Ireland	684	44.3
Fr. West Africa	1,041	7.9	Others	3,725	29.8
			Total	59,836	35.6

1/ Converted at 1 rupee = 21 U.S. cents.

YUGOSLAVS AIM AT BETTER-QUALITY TOBACCO LEAF

Yugoslavia's 1957 tobacco crop was 123 million pounds, about double the 1956 crop and near the 1961 goal of 130 million pounds. The increase was due to a 33-percent expansion in acreage and a 34-percent increase in yield per acre.

The expansion in all regions of acreage planted in 1957 was stimulated by a sharp rise in farm prices. Also, relatively heavy rainfall during the growing season boosted yields. Increased production was a "mixed blessing," as the above-normal rainfall and larger plantings resulted in lower average quality.

The tobacco institutes and buyers will now work with farmers to improve leaf quality and will not place as much emphasis on expanded plantings. Experts are examining production methods in other oriental tobacco-producing countries for guidance in quality improvement. In 1958, prices of the better grades of tobacco will be raised, while prices of the poorer grades will be lowered. This is expected to result in a crop of higher average quality.

AMERICAN BLENDS GAIN POPULARITY IN EGYPT

American-blended type cigarettes are taking an increased share of the Egyptian market. Output of this type has risen from 26 percent of Egypt's total tobacco manufactures in 1952 to 42 percent in 1957. The gain, percentagewise, has been primarily at the expense of oriental cigarettes. Due to currency exchange problems these cigarettes are not all U.S. tobacco, but a substantial proportion is used to satisfy consumers.

TOBACCO PRODUCTS: Egypt, approximate percentage output of various products, 1952-57

Product	1952	1953	1954	1955	1956	1957
	Percent	Percent	Percent	Percent	Percent	Percent
Cigarettes:						
American-blended	26.2	28.5	29.7	32.0	35.8	42.0
Oriental	32.5	29.5	27.4	25.2	22.1	18.2
Straight Virginia	12.2	13.7	13.0	13.0	13.2	12.2
Other:						
Roll-your-own (Oriental)	16.2	14.6	14.8	15.4	15.2	15.6
Pipe tobacco and small cigars	11.9	12.5	13.9	13.3	12.7	11.2
Chewing tobacco	1.0	1.2	1.2	1.1	1.0	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

GOOD 1958 AUSTRALIAN DRIED VINE FRUIT PRODUCTION ASSURED

Earlier reports of a heavy 1958 dried vine-fruit pack in Australia have been confirmed. Total production is now estimated as 100,500 short tons--about 15 percent more than the 87,700-ton pack of the preceding season, and 14 percent above the 1951-55 average of 87,900 tons.

The quality of the dried fruit is said to be excellent and much superior to that in 1957. In the important Sunraysia district, 44 percent of the pack is expected to grade 5-crown, and 36 percent 4-crown, with only 3 percent falling in the lower 1- and 2-crown grades.

DRIED VINE FRUITS: Australian production, 1956 and 1957, forecast 1958, and 1951-55 average

Kind of fruit	Average 1951-55	1956	1957	Forecast 1958
	Short tons	Short tons	Short tons	Short tons
Sultanas	62,300	45,500	70,200	78,000
Raisins (lexias)	10,300	5,500	6,200	8,500
Currants	15,300	14,900	11,300	14,000
Total pack	87,900	65,900	87,700	100,500

According to present estimates, the 1958 sultana pack is 11 percent greater than the previous season's production and 25 percent above the 1951-55 average. Hot, sunny weather and the complete absence of rain during the drying period speeded up handling of the 1958 vine-fruit crop and greatly reduced losses from mold.

The Australian trade is optimistic over market prospects. About 800 tons of old-crop sultanas were reported on hand in the United Kingdom in early April but they are expected to be sold shortly. The 1958 sultana crop may, however, encounter difficulties in the U. K. market since nearly all exports will be in the top grades. The United Kingdom normally takes 25 percent of its purchases in top grades, 50 percent in medium grades, and 25 percent in lower grades, with the total tonnage of imports about equally divided between manufacturers and retailers.

Currant and raisin stocks in the United Kingdom are said to be exhausted. A strong U. K. demand with satisfactory prices is in prospect for Australian lexias. The currant market, on the other hand, is reportedly weak because of strong Greek competition.

Sales of dried vine fruits to Canada are expected to total 18,000 short tons if Canadian buyers do not insist on lower grades for price reasons. Despite New Zealand's shortage of foreign exchange, licenses for dried vine-fruit imports from Australia are being granted freely.

Australian authorities are tentatively allocating about 20,000 tons of the 1958 pack for the home market. Over 50,000 tons should therefore be available for export to the United Kingdom, after allowing 25,000 tons for Canada and New Zealand, and about 5,500 tons for exports to other countries.

U. S. ALFALFA SEED EXPORTS AT RECORD LEVEL

Alfalfa seed exports have passed the 15-million-pound mark and are the largest on record for any July-February period. Total grass and legume seed exports in February 1958 were a little less than for the same month last year, and the cumulative total for the first 8 months of the current crop year is slightly less than last year.

Starting with January 1958, the Bureau of the Census is giving export figures on certified and uncertified alfalfa seed, Ladino clover, and bentgrass. However, tyegrass export figures are still in the "other grasses" category.

GRASS AND LEGUME SEEDS: U. S. exports, February 1957 and 1958, July-February, 1956-57 and 1957-58

Kind of seed	February		July 1 to February 28	
	1957	1958	1956-57	1957-58
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Alfalfa, certified	1/	1,082	1/	1/
Alfalfa, uncertified	1/	894	1/	1/
Alfalfa	3,064	(1,976)	14,815	15,036
Alsike	0	168	573	504
Ladino	1/	107	1/	1/
Clovers, other	555	171	5,411	2,973
Bentgrass	1/	467	1/	1/
Fescue	131	319	2,408	2,761
Kentucky bluegrass	38	219	807	835
Orchardgrass	0	27	7	159
Redtop	123	227	575	602
Timothy	33	343	1,063	1,946
Grasses, other	1,590	1,367	9,669	10,295
Total	5,534	5,391	35,328	35,111

1/ Prior to January 1, 1958, certified and uncertified clover combined; Ladino included in "other clovers"; and bentgrass included in "other grasses."

FRENCH CAMEROONS EXPORTS MORE COCOA BEANS IN 1957

Exports of cocoa beans from the French Cameroons amounted to 117.7 million pounds in 1957, compared with 101.2 million pounds in 1956. Bean exports to the Netherlands were the highest, at 42.5 million pounds, while exports to France amounted to 38.1 million pounds. Cocoa butter exports in 1957 totaled 6.2 million pounds.

The 1957-58 cocoa bean crop is now estimated at 140.8 million pounds. However, heavy rains early in the harvest season are said to have caused a higher percentage than normal of moldy beans. Most of the cacao which cannot be exported because of its inferior quality is made into cacao butter by the "Societe Industrielle du Cacao." About 11 million pounds of cocoa beans from the 1957-58 crop probably will be used in this way.

AGRICULTURAL OUTLOOK GENERALLY GOOD IN DOMINICAN REPUBLIC

Except for drought in some parts of the country, the first quarter of 1958 was generally good for agriculture in the Dominican Republic. The biggest Dominican sugar mill, Rio Haina, reports that production is running ahead of last year, although sugar production in the eastern section of the country is said to be down considerably.

Coffee and tobacco crops are still expected to be larger in 1958 than last year, even though coffee production will not be as high as expected earlier because of drought followed by untimely rains. Cacao production is expected to be down slightly from last year, although the winter crop (October-March) reached 175,000 bags (154.32 pounds each), compared with an earlier estimate of 125,000 bags.

There are indications that rice production is being cut back in order to get it back in line with consumption.

SUGARCANE AND SUGAR YIELDS VARY WIDELY BY COUNTRIES

Data available to the Foreign Agricultural Service show tremendous differences in yields of sugarcane and sugar per acre in producing countries. A range from a little more than a ton of sugar per acre in Argentina to more than 10 tons in Hawaii is one example.

The variation in yields are the natural result of differences in soil, water availability, and temperature, and of more controllable factors such as planting of heavy-yield varieties of sugarcane and use of fertilizer and more efficient equipment.

While illustrating yield variation, data in the accompanying table are not strictly comparable. In some countries, for instance, no distinction is made between cane used for making centrifugal and non-centrigugal sugar. This would account largely for the relative low sugar yield per acre for India. Also, depending upon the country, acreage may be reported as the total in cane, area planted or in cultivation, area for harvest, or area harvested.

SUGARCANE: Acreage, yield, and sugar produced (preliminary data), selected countries and years

Country	Sugar produced, raw value		Sugarcane			Year applicable
	Tons per acre	Total tons	Area in cane: How reported	Area in cane: Acres	Tons cane grown or crushed	
		1,000 short tons		1,000 acres	Million short tons	
Argentina	1.06	770	Total	726	10.2	1957-58
Australia	3.63	1,400	Harvested	386	10.1	1956-57
Brazil	1.09	2,623	Total	2,675	42.2	1956-57
		1/ (300)				
Cuba	2.09	6,252	Harvested	2,998	49.3	1957
Dominican Republic	1.57	706	Total	449	5.2	1956
India	1.12	2,545	Total	5,019	74.9	1956-57
		1/(3,100)				
Indonesia	5.93	866	Harvested	146	7.5	1956-57
Hawaii	10.14	1,085	Harvested	107	9.4	1957
Mexico	2.44	1,190	Total	542	13.3	1956-57
		1/ (132)				
Peru	8.66	774	Harvested	93	6.5	1956
		1/ (31)				
Philippines	2.90	1,313	Harvested	452	10.8	1956-57
Taiwan	4.52	955	Harvested	218	7.4	1956-57
		1/ (30)				
United States	1.94	527	Harvested	271	7.2	1957-58

1/ Non-centrifugal sugar, not included in figure just above.

U. S. TAKES 60 PERCENT OF BRAZIL'S COFFEE EXPORTS IN 1957

Over three-fifths (60.34 percent) of Brazil's coffee exports in 1957 went to the United States. Exports to Europe amounted to 31.18 percent, with West Germany taking the largest amount (5 percent).

The Brazilian Coffee Institute has been buying coffee in 1957-58 in an effort to support the price. It is reported that in early April 1958 IBC held 4.3 million bags from the 1957-58 crop, of which 3.5 to 4 million are Type Santos 4 or better.

VENEZUELA LICENSES SEED POTATO IMPORTS

Venezuela has authorized only half as many seed potato imports this year as it did in 1957. Imports will be 10,000 metric tons (200,000 crates). Venezuela prefers to have shipment made in wooden crates so they can be reused. Imports are usually early-November delivery.

Venezuela has been trying to increase potato production so that the country will be self-sufficient in table stock. Last year, production was 106,000 metric tons, compared with 65,000 in 1956. As a result, a surplus of 300,000 to 400,000 crates in cold storage found no market and some had to be destroyed.

CEYLON'S COPRA AND COCONUT OIL EXPORTS DOWN 40 PERCENT IN 1957

Ceylon's exports of copra and coconut oil in 1957 totaled 75,976 long tons, oil basis. This was a decrease of nearly 40 percent from the quantity shipped in 1956 and slightly more than half the record high of 1955.

Copra exports in 1957 of 34,767 tons were nearly 40 percent below those of 1956. India, the chief market, took virtually all of the total.

Coconut oil exports in 1957 of 54,073 tons also represented a decline of about 40 percent from the previous year. Sales to Europe were down nearly 60 percent, while those to Canada declined nearly 25 percent.

Ceylon's exports of desiccated coconut in 1957 amounted to 48,899 tons, roughly three-fourths the 1956 shipments. The United Kingdom continued to be the major market, taking nearly 40 percent of the total, while West Germany took about 20 percent.

COPRA AND COCONUT OIL: Ceylon, exports by country of destination, average 1935-39, annual 1955-57

Continent and country of destination	COPRA				COCONUT OIL			
	Average 1935-39	1955	1956	1957 1/	Average 1935-39	1955	1956	1957 1/
	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons
North America								
Canada	---	---	---	---	8,523	15,200	15,260	11,761
Other	1	---	---	---	2,119	7	825	1,199
Total	1	---	---	---	10,642	15,207	16,085	12,960
South America	---	---	---	---	1,433	807	567	822
Europe:								
Denmark	1,605	---	---	---	35	---	---	---
France	354	---	---	---	347	200	---	---
Germany, West	2/ 1,482	---	---	---	2/ 1,200	4,217	4,617	10
Greece	1,526	---	---	---	120	---	---	---
Italy	6,541	2	---	---	1,724	23,690	19,257	6,554
Netherlands	1,929	---	---	---	1,976	12,860	10,037	2,984
Sweden	---	---	---	---	3,573	95	10	---
Switzerland	---	---	---	---	84	1,813	1,663	224
United Kingdom	420	---	4	---	14,160	10,572	11,736	9,680
Other	2,644	---	1	---	3,938	395	---	3/ 1,068
Total	16,501	2	5	---	27,157	53,842	47,320	20,520
Africa:								
Egypt	425	---	---	---	2,433	3,331	2,290	876
Union of South Africa	---	---	---	---	2,597	295	241	203
Other	6	4	---	---	1,354	242	360	1,578
Total	431	4	---	---	6,384	3,868	2,891	2,657
Asia:								
China, Mainland	---	---	---	---	4/	2,200	---	---
Cyprus	---	---	---	---	146	134	251	12
India	5/ 42,549	63,440	56,274	33,888	5/ 10,710	11,683	9,504	7,641
Iran	---	42	63	302	6	1,182	4,196	5,122
Iraq	20	774	279	160	315	173	750	1,091
Israel	---	---	---	---	15	---	5	---
Pakistan	5/	3,915	331	207	5/	5,600	2,757	2,821
Syria	60	---	---	---	164	34	101	---
Other	365	176	774	210	1,885	2,482	479	427
Total	42,994	68,347	57,721	34,767	13,241	23,488	18,043	17,114
Oceania	---	---	---	---	154	---	---	---
Grand total	59,927	68,353	57,726	34,767	6/ 59,013	7/ 97,226	7/ 84,920	54,073

1/ Preliminary. 2/ Total Germany. 3/ 1,018 tons to Poland and 50 tons to Finland. 4/ Less than .5 ton. 5/ Pakistan included with India. 6/ Includes 2 tons to ships' stores. 7/ Includes 14 tons to ships' stores.

Compiled from official sources.

CANADA ANNOUNCES PRICE SUPPORTS
FOR LIVESTOCK AND WOOL

Canada's Minister of Agriculture has announced specific floor prices for livestock and wool for the year beginning April 1, 1958, under the provisions of the Agricultural Stabilization Act (see Foreign Crops and Markets, March 24, 1958).

The support level for Grade A hog carcasses, Toronto, is $25.00 per 100 pounds. This is $2.00 above the support level prevailing since January 1953, but is about $5.00 below current market prices. The new support is 84 percent of the base price. Appropriate differentials for other markets will be established. Support will be provided through government purchases. During the foot-and-mouth embargo of 1952, hog prices were supported by purchases of canned pork.

The support level for Good Grade slaughter steers is established at $17.50 per 100 pounds, Toronto, and for Good Grade slaughter lambs $19.55, Toronto. The support levels for both cattle and lambs are 80 percent of the base price (average for past 10 years). Current market prices of cattle and lambs are far above support levels.

As in the United States, the price of wool in Canada will be supported by "deficiency"--or direct--payments to producers. A level of 60 cents per pound has been established for Choice half-blood staple western range wool, 58/60's, f.o.b. Toronto, and appropriate rates have been set for all other grades except Rejects. The support rate for the April 1958-March 1959 year is approximately 110 percent of the base price of $54\frac{1}{2}$ cents per pound. In the past no support price was in effect for wool. Price support for wool is not mandatory under the new Agricultural Stabilization Act.

FLOOR PRICE SET FOR
SOUTH AFRICAN WOOL

The Union of South Africa has set the minimum average reserve price for wool at 40 cents per pound for the remainder of the 1957-1958 season.

The Chairman of the South African Wool Board has stated in the Farmers Weekly that this level is very near the New Zealand reserve, considering the composition of the two clips; that it is the minimum which will keep producers on the land under present economic conditions; and that in terms of the reduced value of the pound sterling, the reserve price is equivalent to the prices received in 1938 and 1946. He also expressed the hope that the Wool Board's floor support operations, along with those of New Zealand, will give a margin of stability to the wool growing industry.

The Wool Board made its first purchases under the new reserve price schedule early in March. Its purchases have been larger than those by the New Zealand Wool Commission.

WEST GERMAN IMPORTS OF CATTLE HIDES UP 40 PERCENT

Imports of cattle hides by West Germany during 1957 totaled 289 million pounds, 40 percent higher than the 206 million pounds imported in 1956.

Imports from Argentina and the United States increased by 35 and 88 percent, respectively. However, the U. S. share of the West German market rose to 28 percent, compared with 22 percent in 1956. Over this same period Argentina's share dropped from 29 to 28 percent.

U. S. cattle hide prices in 1957 averaged about 1.5 cents per pound under 1956 levels.

CATTLE HIDES: West German imports, 1954-57

Country of origin	1954	1955	1956	1957	Percent change
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Percent
Argentina	21,122	41,742	60,525	81,961	+35
United States	59,990	62,160	44,366	83,337	+88
France	6,568	14,397	14,268	10,361	-27
Uruguay	9,039	10,926	12,504	15,165	+21
Netherlands	5,653	8,894	9,244	11,543	+25
New Zealand	4,338	3,787	8,411	12,945	+54
Australia	969	5,006	8,344	12,088	+45
Denmark	3,917	6,949	7,559	6,217	-18
Canada	5,299	7,615	4,883	11,415	+134
Italy	4,529	7,062	4,745	8,110	+71
Switzerland	4,483	5,933	4,524	8,484	+88
Belgium	1,886	5,830	4,104	3,134	-24
Paraguay	1,076	1,959	3,945	3,730	- 5
Union of South Africa	4,004	1,469	3,653	1,393	-62
Rhodesias-Nyasaland	4,282	6,554	2,585	2,865	+11
Others	10,455	11,702	12,126	16,284	+34
Total	147,600	201,985	205,786	289,032	+40

NEW ZEALAND PRODUCING MORE MANUFACTURING-BEEF

Slaughter of low-grade cattle for manufacturing-beef has risen sharply in New Zealand during the past 2 months, according to published reports. Although production of carcass beef for export dropped sharply, boneless beef production between October 1 and March 15 rose 54.3 million pounds (56 percent) over the same period a year earlier.

Due to the strong demand for frozen boneless beef, the price has also risen sharply. During the week ending March 29, export packing houses were paying $20.65 per 100 pounds (product weight basis) for boner bulls. This was about twice the price offered during the same period in 1957.

NEW ZEALAND WOOL PRICES DIP LOWER

New Zealand wool values at the Wellington sale on April 2, 1958, declined slightly from those at the previous week's sale at Napier. Medium and strong crossbred fleeces constituted the bulk of the offering, and prices of these types declined more than for finer types. The price of type 114B fleece wool was 37 percent below a year earlier.

The offering continued to lack quality--mainly the effect of a wet preshearing period. Buying was widespread, with Bradford and the Continent predominant. The Wool Commission purchased 289 bales at the support level. Following is a comparison of auction prices (greasy ex-store) for selected types:

Description	Type	Dunedin Oct. 25, 1957	Napier Mar. 28, 1958	Wellington Apr. 2, 1958
		- - - - U. S. cents per pound - - - -		
Extra fine crossbred	93B 50/56's	69	56	55
Fine crossbred	100B 50's	64	50	50
Medium crossbred	114B 46/50's	61	46	44
Strong crossbred	128B 46/48's	60	45	43

Source: New Zealand Wool Commission.

BLOWDOWN CUTS COSTA RICAN BANANA CROP

Strong winds on April 10 blew down an estimated 900,000 banana plants on the Pacific side of Costa Rica; More than half of these plants were in fruit. This is the third consecutive April with destructive winds. Costa Rica exports 10 to 15 million stems of bananas a year.

MANGO IMPORTS FROM CUBA LARGER

Cuba's shipping season for mango exports opened in March. During the month, 4,316 packages of mangos totaling 131,000 pounds were fumigated and exported, compared with March 1957 exports of only 505 packages containing 20,000 pounds.

U.K. EXTENDS SEASONAL PRICE REDUCTION FOR MILK

The Minister of Agriculture in the United Kingdom has announced the usual summer reduction of about 1 cent per quart in the maximum retail price for milk, effective May 1. In an effort to stimulate sales, the reduction this year is being extended an extra 2 months to September 30.

AUSTRIA TRIES TO DISCOURAGE SURPLUS DAIRY PRODUCTION

Austria recently took steps to halt the upward trend in milk and dairy product output (see <u>Foreign Crops and Markets</u>, April 7, 1958). The government-fixed producer price of milk was reduced from the equivalent of $3.22 to $3.06 per cwt. In addition, 1/4 kilogram (0.551 pounds) of butter and the same amount of cheese is returned to the farmers for every 100 liters (227 pounds) of milk delivered to milk plants.

The Austrian retail price of butter is also government-fixed and remains unchanged at 61.5 cents per pound. Sales of butter to the United Kingdom at prices considerably below domestic prices resulted in dumping charges from New Zealand. This criticism, coupled with increasing subsidy costs to the Austrian Government, was responsible for the recent price cut in milk.

SAO PAULO FAIR TO FEATURE DAIRY EXHIBIT

A dairy plant recombining U. S. nonfat dry milk and anhydrous butterfat will operate at the International Trade Fair in Sao Paulo, Brazil, scheduled to open June 18. In cooperation with the Foreign Agricultural Service, the Dairy Society International will direct the exhibit. Processing equipment for the demonstration is loaned to DSI by U. S. companies, and the ingredients are furnished by the U. S. Department of Agriculture. Samples of recombined milk, as well as ice cream manufactured by the plant, will be distributed. Altogether, 300,000 samples of milk, ice cream, and cheese will be given out during the month-long showing.

This will mark the tenth time that FAS and DSI have cooperated at overseas fairs to promote U. S. dairy products. In several cases, foreign companies have bought the equipment after the fair to operate recombining plants in milk-deficit areas.

COMMON MARKET COUNTRIES IMPORTED LESS BUTTER IN 1957

Net imports of butter of the 6 Common Market countries dropped from 68 million pounds in 1956 to 49 million in 1957, according to the Intelligence Bulletin of the Commonwealth Economic Committee (April 1958).

West Germany and Italy together imported 29 million more pounds of butter in 1957 than in 1956. But this increase was more than offset by the shift of France from a net importer of 27 million pounds in 1956 to a net exporter of 21 million pounds in 1957, and an increase of 10 million pounds in Dutch exports.

The usual trade deficit of the Common Market countries in butter is met by imports from other European countries, particularly Denmark. Early in 1957, Australia sharply increased its exports of butter to the Common Market countries, but New Zealand shipments declined.

BELGIAN IMPORTS OF DAIRY PRODUCTS LARGER IN 1957

Belgium's total imports of dairy products increased in 1957 compared with a year earlier.

Butter imports rose from 12.8 million pounds in 1956 to 13.4 million pounds in 1957. The Netherlands supplied 11.4 million pounds, Denmark most of the remainder. However butter stocks at the end of December 1957 were twice as large as in 1956 and 78 percent above 1955. This situation, together with a sharp dip in wholesale butter prices, caused the government to restrict importation of butter for the present and to try to find an export outlet.

Imports of cheese amounted to 79.0 million pounds (77.8 million pounds in 1956). By far the largest quantity (75.2 million pounds) was the hard or semi-hard type, about 71 percent of which came from the Netherlands. Dried milk imports increased from 22.0 million pounds in the earlier year to 25.7 million pounds last year, most of which was supplied by the Netherlands. Imports of condensed milk dropped from 16.4 million pounds to 11.5 million pounds, and came almost entirely from the Netherlands.

Exports of all dairy products in 1957 fell below the 1956 level. Cheese exports declined from 1.5 million pounds to 1.0 million pounds, for which the principal markets were the Belgian Congo, the Netherlands and West Germany. Exports of condensed milk in both years were less than 500,000 pounds. Shipments of dried milk declined approximately 1 million pounds to 21.4 million pounds, about 89 percent of which went to the Netherlands.

NEW ZEALAND MAY DIVERT SURPLUS MILK TO CALVES

New Zealand is considering a proposal that at least 10 percent of its milk output be used to feed veal calves to a heavier marketing weight (New Zealand usually sells dairy calves at an early age for veal). This would reduce exports of dairy products by about 10 percent.

DOMINICAN REPUBLIC OPENS ITS FIRST CONDENSERY

The Dominican Republic's first milk condensery began operations recently with a daily output of 4,800 cans (14 ounces each) of sweetened condensed milk. The plant is owned and operated by La Industrial Lechera, C. por A., suppliers of fluid milk to the Ciudad Trujillo market. In the past, the company has manufactured dry whole milk during periods of flush milk production. The condensing is also scheduled to be seasonal, along with dry milk manufacture.

The new product is sold under the brand name of "La Suiza". Present sales are limited to Cuidad Trujillo, where the condensed milk retails for 30 cents per can. Imported brands, supplied principally by the Netherlands, retail from 35 to 38 cents per can. The price advantage enjoyed by the locally produced condensed milk will not drastically effect imports, however, until local production becomes more than seasonal.

Marketing plans call for packaging the condensed milk in metal toothpaste-type tubes similar to those used in some European countries. The company reportedly has 6 million of these tubes on order and has plans for an advertising campaign to gain consumer acceptance for this type of packaging.

EUROPEAN MARGARINE MAKERS FORM INTERNATIONAL FEDERATION

Margarine manufacturers of several Western European countries formed an international federation at an April meeting in The Hague, Netherlands.

The organization will be known as the International Federation of Margarine Manufacturers' Associations (IFMA), and its aim is to "exchange ideas and information, and provide mutual support."

Delegates from Norway, Sweden, Denmark, West Germany, the United Kingdom, Belgium, France, Switzerland, Italy, Austria, and the Netherlands, and observers from the United States, Japan, and Finland attended the organizational meeting, which began April 15. A total of 47 delegates were present.

WEST GERMANY TAKING
LESS RICE

West Germany's rice imports in 1957 were 89,250 metric tons, down 24 percent from the 117,140 tons imported in 1956. The outlook for rice imports in 1958 is poor because of a decrease in supplies available from foreign countries.

Eighty-five percent of imports in 1957 were brown (cargo) rice. To protect the local rice-milling industry, the government encourages importation of brown rice by imposing a high import duty on milled rice.

RICE: West Germany, imports, by quantity and value, 1957

Country of origin	Unpolished (semi-milled)		Other 1/		Total	
	Metric tons	1,000 dollars	Metric tons	1,000 dollars	Metric tons	1,000 dollars
Argentina	2,698	306	133	13	2,831	319
Burma	5,374	515	1,323	120	6,697	635
Egypt	25,329	2,667	0	0	25,329	2,667
Hungary	1,032	125	0	0	1,032	125
Italy	1,854	304	246	34	2,100	338
Netherlands	0	0	2/3,988	3/ 739	3,988	739
Spain	20,980	2,221	0	0	20,980	2,221
Surinam	6,899	1,039	0	0	6,899	1,039
Thailand	11,071	1,590	4,564	445	15,635	2,035
United States	808	84	2,065	180	2,873	264
Vietnam	0	0	838	78	838	78
Others	0	0	48	5	48	5
Total	76,045	8,851	13,205	1,614	89,250	10,465

1/ Mostly broken rice. 2/ Includes 3,485 tons of "polished" rice.
3/ Includes $684,000 for "polished" rice.

Source: Der Aussenhandel der Bundesrepublik Deutschland.

Italy dropped from first place as a country of origin. Only 2,100 tons were imported from that country, compared with 37,949 in 1956. Rice was imported principally from Egypt, Spain, and Thailand. High prices mainly accounted for the reduced imports from Italy. Italian prices probably were influenced by barter transactions with Far Eastern countries at a high price rate.

West German rice exports totaled 5,258 metric tons. The largest quantity shipped was 1,078 tons to the United Kingdom, and 4,171 tons were shipped in quantities of less than 1,000 tons each to 14 countries.

Per capita consumption of milled rice in West Germany declined from 3.7 pounds in the 1955-56 (July-June supply year to 3.3 pounds in 1956-57. The prewar average was 5.5 pounds.

Import prices of brown rice, c.i.f. Hamburg, in February did not vary much from those a year earlier. The price of Thai rice, at $6.82 per 100 pounds, was higher than the February 1957 price of $6.51 per 100 pounds. Italian rice, however, was $5.91 per 100 pounds, compared with $6.08 per 100 pounds in February 1957. Egyptian rice was priced at $4.65 per 100 pounds.

JAPAN'S IMPORTS OF WHEAT AND BARLEY TO SHOW LITTLE CHANGE IN 1958

The Japanese Department of Agriculture and Forestry has indicated that Japan expects to import 88.7 million bushels of wheat and 35.0 million bushels of barley in the Japanese fiscal year ending March 31, 1959. These amounts comprise 79.0 million bushels of wheat and 31.8 million bushels of barley for human use and 9.7 million bushels of wheat and 3.2 million bushels of barley for animal feed.

Compared with actual purchases in fiscal year 1957, ending March 31, these amounts represent decreases of 2.3 million bushels of wheat and 3.3 million bushels of barley for human use (See Foreign Crops and Markets, April 28, 1958) and an increase of 3.1 million bushels of wheat for animal feed. The 3.2 million bushels of barley for animal feed is a new designation and accords with Japan's policy of curtailing the use of barley for human consumption.

Imports of wheat for food are planned as follows: 38.0 million bushels from the United States, 31.4 million bushels from Canada, 6.6 million bushels from Australia, and 2.9 million bushels from other countries. Barley imports will be made up of 12.9 million bushels each from the United States and Canada, and 6.0 million bushels from Australia.

SOUTH AFRICAN LOSSES HEAVY IN GRAIN SORGHUM EXPORT PROGRAM

The Union of South Africa produced an estimated 7.1 million bushels of grain sorghums in 1958, compared with a 6.9-million-bushel crop in 1957. From April 1, 1957, through February 28, 1958, 1.4 million bushels of surplus sorghums were exported at a loss of about 65 cents per bushel. Another 1.4 million bushels still remained to be exported, and the total loss may approach $2 million.

When the export losses are balanced against profits on local sales and levies collected from farmers, the net loss for 1957-58 is expected to be around $170,000.

PAKISTAN WHEAT HARVEST
MAY BE AT 1957 LEVEL

The first official estimate places Pakistan's 1958 wheat acreage at 11.7 million acres, about the same as 1957 acreage. No official forecast is available of the harvest now under way. Unofficial sources, however, indicate that the total production may be about the same as the large outturn of 142 million bushels estimated for 1957.

SPAIN BUYS RECORD TONNAGE
OF U. S. SOYBEAN OIL

The Spanish Government bought 122,950 metric tons (135,528 short tons) of U. S. soybean salad oil in mid-April. This purchase, the largest on record, totaled approximately $41 million and was made under Public Law 480 authorization number 17-45.

Prices paid varied from $333.60 to $339.90 per metric ton f.o.b. U. S. ports. Contracts placed by the Spanish Government through Spanish importers with U. S. suppliers provide for delivery in May and June. There were more than 100 offers of oil and 19 successful bidders.

Spain will use the soybean oil to supplement its own supply of olive oil, which is relatively small this season. The U. S. soybean oil will be mixed with the olive oil for sale to Spanish consumers.

CANADA'S GRAIN STOCKS BELOW
1957 RECORD

Total stocks of grain in Canada on March 31, 1958, were the second largest of record, according to official estimates of the Dominion Bureau of Statistics. Stocks of the 4 major grains, wheat, rye, oats, and barley, totaled 35.5 million short tons, compared with the alltime record of 38.9 million tons a year ago. The tonnage of the 4 grains this year was 47 percent above the average for the past 10 years.

Wheat stocks of 816 million bushels at the end of March were second only to the 904 million bushels on hand March 1957. An estimated 451 million bushels, or 55 percent of total current stocks, were held on farms. Rye stocks of 16.4 million bushels were only slightly below last year's 17.5 million and the average of 17.1 million for the past 10 years. Rye stocks, however, were considerably below the previous high of 26.0 million bushels at the end of March 1954.

Stocks of oats in all positions were estimated at 311 million bushels, compared with 357 million last year and the record of 393 million in March 1943. Current stocks are well above the 10-year average of 238 million bushels. Barley stocks of 217 million bushels were slightly above the 1957 total but below the 1954 record of 227 million bushels. Present stocks are 39 percent above the average of 156 million bushels for the past 10 years.

Farm-held stocks of the 4 grains on March 31, 1958, were significantly below the record farm stocks of a year ago. Farm stocks of each of the 4 grains were smaller than in 1957, but the bulk of the reduction was in wheat and oats.

GRAIN: Canadian stocks in all positions, March 31, 1958, with comparisons

Position	Wheat	Oats 1/	Barley	Rye
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
In Canada:				
On farms	451,060	262,000	153,850	10,370
Country elevators	223,446	32,810	32,587	1,548
Interior private and mill elevators	8,091	623	2,159	29
Interior terminal elevators	11,781	90	1,135	13
Vancouver - New Westminster elevators	10,254	324	1,511	454
Victoria elevator	272	2/	2	-
Prince Rupert elevator	-	-	676	-
Churchill elevator	4,620	183	-	-
Fort William-Port Arthur elevators	48,634	10,627	17,818	2,892
Storage afloat	5,821	40	478	-
In transit - rail	14,900	1,556	3,777	659
Eastern Elevators	34,043	2,150	2,539	452
Eastern mills (mill bins only) 3/	2,668	80	13	-
Western mills (mill bins only) 3/	116	18	1	2
Total in Canada 4/	815,706	310,501	216,546	16,419
Canadian grain in the United States	-	-	587	18
Total Canadian grain in North America	815,706	310,501	217,133	16,437
March 31, 1957 stocks 5/:				
In Canada	904,276	356,682	215,980	17,490
In the United States	99	555	-	-
Total in North America	904,375	357,237	215,980	17,490
1948-1957 average	528,849	237,935	155,990	17,119

1/ In bushels of 34 pounds. 2/ Less than 500 bushels. 3/ Small quantities of grain going into mixed feed have been excluded. 4/ Subject to revision. 5/ Revised.

From reports of the Dominion Bureau of Statistics and the Board of Grain Commissioners for Canada.

ARGENTINA INCREASING
GRAIN SORGHUM CROP

Production of grain sorghums is increasing considerably in Argentina. Recent reports indicate that the increase will continue, since growers are showing a significant interest in these grains, especially in marginal areas where corn production is still a gamble. No official estimates are released for either sorghum acreage or production.

During the first quarter of 1958 about 65,000 metric tons of grain sorghums were sold for export, compared with 17,754 tons in all of 1957. Sorghums are expected to become increasingly important in Argentina's export trade.

Grain sorghums and millet were included in the official support price scheme for the first time in January. The National Grain Board agreed to buy any stocks of these grains offered at 55 pesos per metric quintal. Exporters, however, have been consistently paying more than 60 pesos per quintal as a result of keen foreign demand.

PORTUGUESE FORECAST
SMALL ALMOND CROP

According to Portuguese trade sources, the 1958 almond crop will be substantially smaller than the 1957 harvest and well below average. Heavy rains during flowering in both Algarve and Douro reportedly destroyed many blossoms.

The crop is unofficially forecast at 3,000 short tons, less than half of the 6,200 tons harvested last year, and only 60 percent of the 1951-55 average of 5,000 tons.

GREEK EXPORTS OF CURRANTS
AND RAISINS UP

Owing to large Greek supplies and short Turkish and U.S. supplies, Greece is experiencing a banner export season for dried vine fruits, in both volume and price.

Greek exports of currants between September 1, 1957, and March 20, 1958, totaled 57,200 short tons, compared with 46,400 tons in the same period a year earlier. Indications are that the relatively small stock of currants still on hand will be cleared before the new crop becomes available.

Exports of raisins amounted to 56,100 tons between September 1, 1957, and March 20, 1958, in comparison with 36,700 tons in the corresponding period of 1956-57; stocks are virtually exhausted.

BELGIAN CONGO'S OUTTURN OF OILS AND OILSEEDS FORECAST AT ALLTIME HIGH

Edible oilseed output in the Belgian Congo for 1958 is forecast at a level slightly above that of 1957, due to an increase in the peanut crop.

Cottonseed production is expected to be about equal to that in 1957 but below 1956. Weather was adverse both this year and last. Sesame seed production my increase slightly. The apparent decline in soybean acreage will probably continue unless a more adaptable, higher-yielding variety of beans is introduced. (None of the Congo's soybeans are crushed for oil.)

The palm kernel crop is forecast at 160,000 short tons, slightly larger than last year; the annual increase should continue as new plantings come into bearing. A slight increase in castor bean production is forecast for 1958.

OILS AND OILBEARING MATERIALS: Belgian Congo, production, 1956, 1957, and forecast 1958

Oilseeds	1956	1957 1/	1958 2/	Oils	1956	1957 1/	1958 2/
	1,000 short tons				1,000 short tons		
EDIBLE				EDIBLE			
Peanuts				Peanuts	9.7	9.9	9.9
(unshelled)	206.1	209.4	215.0	Sesame seed	.8	.8	.8
Sesame seed	6.1	6.3	6.3	Cottonseed	10.0	9.9	9.9
Cottonseed	116.0	110.0	110.0	Total	20.5	20.6	20.6
Soybeans 3/	4/ 4.9	5/ 4.6	4.6	PALM			
Total	333.1	330.3	335.9	Palm	245.8	257.9	265.0
PALM				Palm kernel	50.7	60.6	66.0
Palm kernels	154.3	154.3	160.0	Total	296.5	318.5	331.0
INDUSTRIAL				INDUSTRIAL			
Castor beans	1.5	1.7	1.8	Castor	6/	6/	.1

1/ Preliminary. 2/ Forecast. 3/ No soybeans are crushed in the Belgian Congo. 4/ 161,700 bushels. 5/ 154,300 bushels. 6/ Negligible.

The Belgian Congo probably will produce about the same quantity of edible oils in 1958 as it did in 1957. About one-fourth of the peanut crop is now crushed for oil and the rest used as food. Because of competition from palm and palm kernel oil, output of peanut oil is expected to stay at the present level for some time. About one-third of the small sesame seed crop is crushed and the balance used for food.

Cottonseed oil output is not expected to expand much for several years because of low extraction rates (12.5 percent, according to trade sources) and inadequate facilities to transport cottonseed from gins to mills. An estimated 30,000 tons of cottonseed are wasted or fed to livestock each year.

(Continued on following page)

There is a steady annual increase in the Belgian Congo's outturn of palm oil and palm kernel oil. The government is encouraging its own people to plant palm, particularly in colonization projects. About 50 percent of present palm plants are African-owned--30 percent under cultivation and 20 percent wild plants--and 50 percent are on large, European-owned plantations. The large plantations produced 90 percent of the palm oil. The other 10 percent is crudely extracted by African producers; the latter usually sell their palm fruit to the large plantations.

Each year a larger percentage of the palm kernel outturn is crushed by the mills in the Leopoldville area. The government has encouraged domestic crushing by placing an export tax of 12 percent ad valorem on palm kernels and allowing palm kernel oil to be exported duty free.

About 110 tons of castor beans were crushed domestically in 1958, the rest were exported. A larger quantity probably will be locally crushed in 1958.

ITALY'S COTTON IMPORTS AND CONSUMPTION SLIGHTLY HIGHER

Imports of cotton into Italy during August-November 1957 were 282,000 bales (500 pounds gross). This is a slight increase over imports of 277,000 bales during the comparable period of 1956.

Imports of U.S. cotton were 156,000 bales, or 55 percent of total imports during August-November, down slightly from 164,000 bales (59 percent of the total) a year earlier. Imports from Mexico, Sudan, Iran, and Brazil also declined, while quantities imported from Turkey, Egypt, British East Africa, and Syria were larger.

Quantities imported from principal sources during August-November 1957, with comparable 1956 figures in parentheses, were: United States 156,000 bales (164,000); Turkey 61,000 (20,000); Egypt 13,000 (12,000); Mexico 9,000 (14,000); Sudan 8,000 (15,000); Iran 7,000 (11,000); Peru 4,000 (0); Brazil 3,000 (16,000); British East Africa 3,000 (1,000); and Syria 3,000 (680).

Italy's cotton imports during the August-July 1956-57 season were 886,000 bales, up 28 percent from 1955-56 imports of 693,000 bales. Imports from the United States increased to 593,000 bales, almost 5 times the imports of 121,000 bales in 1955-56.

The sharp increase in imports of U.S. cotton in 1956-57 was due largely to the competitive prices of cotton from Commodity Credit Corporation stocks and the availability of dollar exchange and financing under Public Law 480. Also, cotton imports from the dollar area were liberalized by the Italian Government on June 27, 1957. Total cotton imports for the 1957-58 season are expected to be about 8 percent lower than in 1956-57. However, the U.S. share is expected to ramain at a high level.

Italian cotton consumption in August-December 1957 amounted to 346,000 bales, up 5 percent from the 328,000 bales used during the same period in 1956. Consumption of U.S. cotton was 230,000 bales, or 66 percent of total cotton used, compared with 154,000 bales (47 percent of the total) in August-December 1956. However, mill activity had been somewhat reduced by the end of 1957 because of decreased demand for textiles. Most mills were operating only one shift, 4 days per week.

Consumption during August-July 1956-57 amounted to 880,000 bales, compared with 750,000 bales used during 1955-56. U.S. cotton accounted for about 60 percent of total consumption in 1956-57, in contrast to 25 percent of the total in the previous year.

Italian exports of cotton goods remained at a low level during 1956-57, and are not expected to expand in 1957-58. The low level of these exports is attributed largely to the non-competitive position of Italian cotton goods on foreign markets.

Cotton stocks on November 30, 1957, were estimated at 334,000 bales--up 21 percent from stocks of 275,000 bales on August 1, 1957. U.S. cotton constituted over 50 percent of the November 30 stocks.

Prices for U.S. cotton, c.i.f. Italian warehouses, have declined after reaching a peak in December 1957 or January 1958. Middling 1-inch quality was quoted at 31 cents per pound on December 11, 1957, but had declined to 28.90 cents per pound on March 27, 1958.

Italy grows a small amount of cotton, usually about 5 percent of mill requirements. The 1957-58 crop is estimated at 55,000 bales. This is a considerable increase over the unusually low production of 37,000 bales in 1956-57, although 14 percent below the 1955-56 crop of 64,000 bales.

COLUMBIA GROWING MORE COTTON IN THE GUAJIRA

The Guajira, arid and sparsely-inhabited peninsula in the extreme northeast corner of Colombia, is the newest cotton-producing area in that country.

The Cotton Institute of Colombia has been stimulating production in this area for the past 2 years by providing technical help and production loans to farmers. The area planted to cotton in 1958-59 is expected to show a sizable increase over the 1,000 hectares (2,470 acres) in 1957-58. All Guajira cotton is grown under irrigation.

AUSTRALIA IMPORTING MORE U. S. COTTON

Australia imported 23,000 bales (500 pounds gross) of United States cotton during August-December 1957, compared with 20,000 bales in the corresponding period of 1956. Imports from all sources were 29,000 bales in August-December, compared with 38,000 bales a year earlier. The U.S. share of this market rose from 53 percent of total imports in August-December 1956 to 79 percent of the total in the period under review. Imports from Mexico were 4,000 bales in August-December, with smaller quantities from India, Peru, Pakistan, and Brazil.

Australian cotton production, all in Queensland, has declined in recent years, due to unreliable weather and competition from other crops. Production is being encouraged, but government authorities are not sure that the crop is feasible. Extension of the guaranteed average price to producers of 14 pence (about 13 cents) per pound for seed cotton for 5 years from January 1, 1959 (Foreign Crops and Markets, April 7, 1958) is expected to encourage purchase of machinery and extension of credit.

The 1957-58 cotton crop is estimated at 2,000 bales, about 2 percent of mill requirements, compared with 3,000 bales in 1956-57 and 1955-56. Area planted to cotton this season is estimated at 9,000 acres, the same as 1956-57 acreage, but about 2 percent below the 11,000 acres planted in 1955-56.

Australian cotton consumption during August-September 1957 amounted to 16,000 bales, the same as in the comparable period of 1956. U.S. cotton accounted for around 90 percent of mill consumption during August-September, compared with 58 percent in the same period of 1956. Cotton stocks on September 30, 1957, were estimated at 25,000 bales, compared with 27,000 bales on August 1, 1957.

ANGOLA'S OIL AND OILSEED PRODUCTION MAY INCREASE; EXPORTS EXPECTED TO DECLINE

Angola's production of oilseeds and vegetable and marine oils in 1958 may be slightly higher than in 1957; exports probably will decline, largely because of an expected reduction in shipments of cottonseed.

Cotton area has remained at about the same level since 1950, but because of adverse weather cottonseed production declined somewhat last year. A cottonseed crushing mill with an annual capacity of 13,000 metric tons (14,330 short tons) began operating in December 1957. Within the next year or two, Angola is expected to process all its cottonseed domestically rather than export it.

Peanut crops have been about the same for several years. About three-fourths of the crop is used as food and most of the remainder is exported. There is one limited-capacity mill which crushes less than 1,000 tons annually.

OIL AND OIL-BEARING MATERIALS: Angola, production and exports, 1956, 1957, and forecast 1958

Commodity	Production			Exports		
	1956	1957	1958 1/	1956	1957	1958 1/
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Edible-oil seeds:						
Cottonseed	15.4	14.4	14.3	9.8	13.9	7.3
Peanuts	14.3	13.8	13.8	4.0	3.1	3.1
Palm:						
Palm oil	19.8	20.4	20.9	9.7	10.0	9.9
Palm kernels	12.2	12.6	12.9	10.4	13.9	13.4
Industrial:						
Castor beans	3.9	4.4	5.5	.8	2/	2/
Castor oil	1.2	1.7	2.1	1.7	1.7	2.0
Marine:						
Fish oil	5.2	11.2	13.2	5.7	13.4	13.2

1/ Unofficial forecast. 2/ Negligible.
Compiled from official and other sources.

Palm oil output fluctuates from year to year, depending largely on the market cutback. Production increased slightly in 1957 and a further small increase is expected this year. Approximately half the palm oil produced is used domestically, either as cooking oil or in soap manufacture. Exports this year will probably be about the same as in 1957. During the first quarter, however, export prices declined and sales dropped. All palm kernels are exported; there are no mills producing palm kernel oil. Nearly all of the exports of palm oil and palm kernels go to Portugal.

After a peak of over 14,000 short tons in 1950, castor bean output declined to about 3,900 tons in 1956, attributable to deterioration of varieties and resultant poor yields. Production is expected to increase in 1958 because a large area was planted with imported seed of improved varieties. A plant to produce refined dehydrated castor oil began operation in 1957. Its annual crushing capacity is 20,000 metric tons (22,000 short tons). Practically all of the 1957 castor crop was diverted to this mill and exports fell to an insignificant level. Castor bean growers are expected to expand acreages considerably within the next few years, now that there is a large local market. The government is encouraging the crop and is conducting experiments to find more adaptable varieties.

Since the record outturn of 13,000 tons in 1954, fish oil production has fluctuated considerably from year to year depending on market prices and the availability of fish. West Germany has been the principal market for fish oil.

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